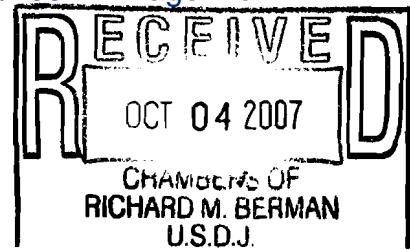


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October 4, 2007

VIA HAND DELIVERY

Honorable Richard M. Berman,
 United States District Judge
 United States District Court for the
 Southern District of New York
 Daniel Patrick Moynihan United States Courthouse
 500 Pearl Street, Room 650
 New York, New York 10007

MEMO ENDORSED

Re: In re Lionel L.L.C., et al. Case No. 04-17324 (BRL)

Mike's Train House, Inc. v. Lionel L.L.C., et al. No.
07 Civ. 7946 (RMB)

Dear Judge Berman:

We are counsel to Lionel L.L.C. and its affiliate (collectively, "Lionel") in their Chapter 11 cases pending in the United States Bankruptcy Court for the Southern District of New York before the Honorable Burton R. Lifland. We are also representing Lionel in connection with the appeal filed by Mike's Train House, Inc. ("MTH") which is now pending before Your Honor.

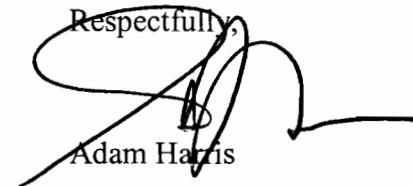
On September 25, 2007, counsel for MTH delivered a letter to Your Honor requesting that Your Honor schedule a settlement conference with respect to the disputes between Lionel and MTH, or refer the matter to another Federal Judge or Magistrate for such purpose. On September 26, 2007 Your Honor did refer the matter to Magistrate Judge Gorenstein. The parties and Magistrate Judge Gorenstein have scheduled a settlement conference for next Friday, October 12, 2007. In addition, the initial case conference before Your Honor with respect to the appeal, which was previously scheduled for October 10, 2007, has now been adjourned to November 1, 2007.

Honorable Richard M. Berman
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 Page 2

MTH filed its opening brief on September 20th. Lionel's responsive brief is presently due on October 9th. Rather than incur the substantial cost and expense attendant to the completion and filing of that brief, and in light of the settlement conference with Magistrate Judge Gorenstein scheduled for October 12th, Lionel has requested, and MTH has consented to, an extension of Lionel's time to file its responsive brief until October 19th.

Therefore, in light of the pending settlement conference before Magistrate Judge Gorenstein, and upon the consent of MTH, Lionel would respectfully request that Your Honor approve this short extension of Lionel's time to file its responsive brief.

Thank you for your prompt consideration of this matter.

Respectfully,

 Adam Harris

cc: Robert LaRocca, Esq. (via facsimile)
 Counsel for Mike's Train House, Inc.

<u>Application Granted.</u>	
SO ORDERED: Date: <u>10/4/07</u>	 Richard M. Berman, U.S.D.J.

